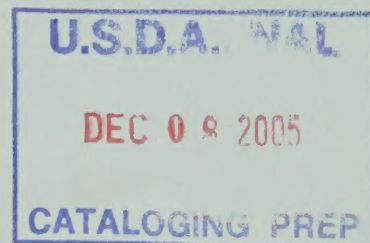


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UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS



PREVIEW OF 1942 PRODUCTION SITUATION

*Summary of results of a survey made
by the Bureau in March 1942*

Washington, D. C.
April 1942

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PREVIEW OF 1942 PRODUCTION SITUATION

Analysis of the production situation for nine important "war crops" was made by Bureau of Agricultural Economics field parties during March, in 27 sample counties and 24 States throughout the Nation ^{1/}. The commodities covered in this survey were peanuts, soybeans, dairy products, canning tomatoes, canning peas, longer staple cotton, flax, sugar beets and farm gardens. Other commodities, such as pork and poultry products, are being covered by a second survey now in progress.

Field workers interviewed more than 1,100 individual farmers, met with 64 groups of farmers in the analysis of farm plans for war-time operations, received considerable assistance from State statisticians, and conferred with many County War Board members, professional agricultural workers, merchants, bankers, supply dealers, processors, and warehousemen. In six areas, special information was obtained from newspaper editors, State Extension Service editors, and radio-station personnel. Two weeks of field work were required for the survey.

This survey, together with the report of "Prospective Plantings" published in March, indicates that farmers will meet or exceed their goals for most commodities. In regard to certain commodities, it appeared that there will be a substantial increase in production - although not so great an increase as called for by the goals; and in these instances special note was made of the obstacles to still greater production. In most cases in which it seemed that production might fall short of the goals to a serious degree, the Department of Agriculture has announced special measures to stimulate further increases in production of those commodities or to help farmers to overcome the obstacles to the attainment of production goals.

For example, on March 1, farmers evidently intended to plant a million acres more of soybeans for oil than was called for by the goals. It looked as though the goals would be reached or passed in all major producing areas. Nevertheless, many farmers indicated they were willing to make a still further increase in acreage if the need were great enough.

On the other hand, it looked on March 1 as though plantings of peanuts for oil would be $1\frac{1}{2}$ million acres short of the goal. Nevertheless, the expected peanut acreage was two-thirds greater than last year, and it

^{1/} The sample counties used in the survey were: Wood, Ohio; Hancock, Ind.; Douglas, Ill.; Saginaw, Mich.; Dodge and Marathon, Wis.; Brown, Kans.; Freeborn, Minn.; Washington, Ark.; Pontotoc, Okla.; Cherokee, Tex.; Washington, Miss.; Henry, Ala.; Bulloch, Ga.; Halifax, N.C.; Rutherford, Tenn.; Otsego and Genesee, New York; Kent, Md.; Moody, S.Dak.; Walsh and Williams, N.Dak.; Weld, Colo.; Cache, Utah; Snohomish, Wash.; San Joaquin, Calif.; Walla Walla, Wash.; and selected areas in Iowa. Information on the Agricultural war effort in Iowa was supplied by the Iowa Agricultural Experiment Station.

seems probable that provision of additional information on the needs and price supports may bring about a further increase. The prospective flax acreage, up 20 percent from last year, was still almost a half million acres short of the goal. In view of this entire situation the Department of Agriculture is asking farmers to increase their soybean acreage beyond their March intentions, because considerable substitution can be made among these vegetable-oil crops.

The War Production Boards, at the Department's request, has helped meet the machinery problem confronting peanut growers since the survey by increasing the quotas of materials manufacturers will receive for making peanut pickers, to provide 3,600 new pickers this year. By putting these and existing pickers to the greatest possible use it is estimated that sufficient machinery will be available for harvesting the record crop of peanuts. In order to get the maximum use of these pickers they will be distributed to farmers so as to assure custom picking and other cooperative methods of harvesting. Instead of using the percentage-quota system on peanut pickers, individual company quotas were established.

Discovering from the survey that milk production was likely to be 5 billion pounds short of the goal if the current spread between feed and dairy prices continued, the Department of Agriculture, on March 28, announced an increase of 1-3/4 cents a pound in the floor under butter prices. This is expected to enable farmers to feed more grain and further increase their milk production, which is already 4 percent greater than it was a year ago.

On March 4, Secretary Wickard asked farmers to plant their full cotton-acreage allotments, wherever that would not interfere with the planting of crops yielding more vegetable oil - and he particularly emphasized the need for more longer staple cotton.

The sugar-beet acreage apparently will be almost one-fourth larger than last year, and there is a possibility of still larger increases. The acreage of canning peas and canning tomatoes appeared likely to be larger than last year, but still short of the goals; and special campaigns are now under way in several States to increase the number of farm gardens grown for home use.

Special note was made of problems which might make it difficult for farmers to reach their goals. More than two-thirds of the farmers interviewed expressed concern over possible shortages of farm labor, but only about 5 percent expected to limit their production because of a shortage of labor or increased wage rates.

Farmers generally were satisfied with the current prices of farm products, and with the price-supporting policies of the Department of Agriculture. Where there was any dissatisfaction, most of it related to prices for flax or milk. There was very little indication that shortages of farm machinery would be a serious handicap to production in 1942, except in the case of harvesting equipment for peanuts, soybeans, and canning peas. Inability

to obtain credit apparently will not handicap many commercial farmers, although producers will use more production credit than usual this year. The only serious credit problem discovered was among small farmers and low-income groups.

In general, farmers are set to break all production records this year. Their achievement promises to be remarkable in view of the fast-changing requirements of the war and the speed with which it was necessary to formulate National, State and local production goals and get out information about them. The principal needs at present are for greater emphasis on the most critical commodities and for more assistance to individual farmers who are eager to know just which of the commodities they should produce to help win the war.

Giving color and unity to the replies of most of the farmers interviewed were many similarities in farmer attitudes toward the war and toward the farmers' part in it. These attitudes were affected, of course, by the varying degrees and types of information different farmers had about the war. Farmers and professional workers alike said the questions raised by the interviewers helped them to understand the Department's food program and encouraged them to think of their own farm operations or professional duties as vital parts of the war effort. Farmers expressed gratification at this effort by the Department to find out facts through direct interviews with them.

Farmers evidenced unanimous concern at the reverses suffered by Allied forces in the war and are anxious to do everything possible to help insure victory. A typical remark was, "I'd much rather stay with my present plans, but if the Government wants more (milk), and really needs it, I want to do my duty." Many farmers said; "I'll raise anything the Government wants me to raise."

Looking toward wartime production, farmers expect stricter Government regulations, shortages of certain machinery and supplies, and higher production and living costs. Further rationing of supplies is on the way, they believe, and, although they favor this, many expressed the hope there would be equitable distribution of available supplies. There was criticism of industrial labor and national labor policies.

That the Government wants larger agricultural production for wartime uses was generally understood, but about 44 percent of the farmers were confused as to just what products are most urgently needed to help win the war. They gave such responses as: "Guess the Government wants more of everything." "Everything we can raise will be needed for food and clothes for soldiers." All were anxious to be told definite things they can do to help win the war. They wanted to know what kinds and amounts of specific products are needed by the Nation, and how these needs should be met on individual farms.

Price fluctuations and trends appear to have much significance to farmers. This sensitiveness to price seems due in part to the fact that price

supports have been used to encourage increased production and that farmers still fear overproduction and falling prices. Fear of a critical post-war depression is also evident. Short-time or even seasonal decline of prices, it seems in these circumstances, hinder production unless fully explained.

The survey discloses a certain degree of confusion, even among farmers who usually possess the best information, in relation to some of the announcements about price supports that have been made in recent months. They do not have a clear idea as to the kind of program that will provide the price supports nor is there a clear understanding as to the points in the production and marketing process at which the price supports come into play.

Possible shortages of farm machinery are not usually viewed by farmers as serious obstacles to 1942 production. Most farmers expect that the Government will do something to help assure adequate harvesting equipment and fair distribution of it. The farm-machinery repair campaign was apparently very successful in most counties.

Anticipating a shortage in fertilizer, many producers are planning to use larger quantities of mixed fertilizers than usual, because dealers have promised adequate supplies of them. Farmers are watching to see just how dealers distribute available fertilizers, particularly nitrate of soda. Some shortages of fertilizer will be encountered by farmers who were late in placing orders.

It appears that farmers will use more production credit this year than usual and some of them anticipate further increases in need for credit. But inability to obtain credit is not an important obstacle to production for most farmers. Some credit difficulties may be encountered by small farmers who plan major expansions or improvements in production facilities. The only acute credit problem that was found involved farms operated by Japanese on the West Coast where credit for production of tomatoes and other crops has been cut off, a problem on which the F.S.A. and the War Board are now working. However, new credit arrangements may be needed in the future to enable shifts of livestock and equipment from area to area so that available feed supplies can be utilized and local deficiencies in harvesting equipment can be eliminated. Farmers very generally are trying to avoid debt, although a few venturesome producers may be taking on rather heavy indebtedness to expand production.

SOYBEANS FOR BEANS AND OIL

The acreage goal for 1942 production of soybeans for beans very probably will be attained for the Nation as a whole, and it appears that the goals will be achieved or exceeded in all major producing areas. Nevertheless, some areas were found where a considerable part of the potential soybean production capacity was not being used. Many farmers in northwestern Iowa, for example, did not expect to plant soybeans for beans this year, although they could do it profitably.

Based on current indications that additional action would be needed if 1942 goals for vegetable oil crops are to be reached, the Department of Agriculture asked for a further increase of the acreage of soybeans. Immediate and vigorous educational programs are needed to inform farmers in suitable areas of the need for larger acreages, of the best cultural practices, and of ways of fitting the crop into the farm organization.

As a whole, a shortage of harvesting equipment will not greatly interfere with attainment of the soybean goals, although harvesting will present a serious problem in some communities, unless harvesting machines are used to capacity or additional machines are brought in. Assurance of additional harvesting machines in the Mississippi Delta and in the cornbelt would encourage the growing of larger acreages of soybeans for beans.

Recommendations

To insure expeditious harvesting of the 1942 soybean crop, surveys are desirable in localities where difficulties in harvesting are anticipated. The survey should find out how many acres of beans will be harvested by owner and "custom" machines, how many machines are available in the community, and, if the number of machines is inadequate, should investigate the possibilities of bringing additional machines into the community.

The possibility of a shortage in storage space this fall does not loom large in farmers' minds and has not affected intentions to plant. The problem of storage facilities this fall needs to be given careful consideration. Plans need to be made to get the 1942 crop out of the fields regardless of the weather conditions at harvest time, and for holding the crop in storage until it can be used. If large quantities of beans must be stored on farms, farmers should be given sufficient advance notice to permit them to make adequate plans for their crops. Information about the type of bean-storage facilities required as a prerequisite for loans should be made even more widely available to farmers immediately. (Soybean processing problems are not covered in this report.)

Soybean Situation by Regions

Adjustments necessary in farming operations in order to increase the acreage of soybeans for beans from 5.9 million acres in 1941 to approximately 9 million acres this year differ considerably between producing areas and between farms in each producing area.

Eastern Corn Belt: There are no important obstacles to obtaining expansion of 1942 soybean acreage in north-central Ohio. High yields in the area last year assure ample supplies of seed beans. Adequate harvesting machinery is on hand. An acreage materially above that of last year could be harvested, even under somewhat adverse conditions. This situation, together with the fact that soybeans for beans will attract higher prices than last year, have encouraged farmers to plant at least one-fourth more acres of soybeans for beans than they did in 1941.

In planning larger acreages of soybeans, farmers plan to reduce oats, wheat, corn, rotation pasture or hay. Two acres of wheat will be displaced by soybeans for beans, for instance, on a typical 120-acre general farm. Oats, wheat and rotation pasture will be reduced on a typical 200-acre general farm, to allow for increases in acreage of soybeans for beans and of sugar beets.

In north-central Ohio the largest acreage expansion in soybeans for beans will occur on the cash-grain farms. Farmers who have much livestock and who need large quantities of feed, are hesitant to substitute a cash crop for crops that can be fed on the farm.

In central Indiana, this year's acreage of soybeans for beans will be substantially larger than in 1941. A 50-percent increase in soybean acreage is a definite possibility, if summer weather is normal. This increase in acreage would assure achievement of the county's soybean goal. High-quality seed beans of adapted varieties are none too plentiful here, but farmers expect to have enough seed, provided they use some stocks that are somewhat low in germination. Difficulty may arise in harvesting part of the crop, unless the harvest season is ideal or unless additional combine-harvesters are obtained. There are not enough harvesting machines to care for the 1942 crop under anything but the best conditions. The larger farms will turn more heavily to soybeans for beans this season than will the small farm units. Typically, acreage in soybeans for beans will be increased to 19 acres from 11 acres on 160-acre farms, but will be increased to only 14 acres from 10 acres on 120-acre units.

Central Indiana farmers also will increase corn acreage by about 10 percent. To get these expansions, the acreage of wheat, oats, hay and rotation pasture will be curtailed. Wheat seeding was held down last fall by unfavorable field conditions.

Insofar as expansion in soybean acreage in central Indiana means reduction in acreage for hay and rotation pasture, soybean production may retard an increase in dairying. The expected pasture acreage will not be sufficient to carry the present livestock through the late summer. Under these circumstances there would be little opportunity for dairy production to be increased above present levels, unless soybeans planted for beans were used for grazing; if they were used for grazing, there would be a shortage of soybean acreage harvested for beans. The production situation here is balanced delicately, with the weather the controlling factor.

Central Corn Belt: Farmers in the well-established soybean-producing area of east-central Illinois have no major production problems in growing and harvesting soybeans for beans in 1942. Seed supplies are ample, machinery is adequate and in good repair, needed production credit is available and prospective prices are favorable. These farmers expect to grow larger acreages of soybeans than were grown in 1941. The goal calling for 8 to 9 percent more acres of soybeans for beans in Douglas County, for instance, will be reached with ease.

Acreage in soybeans for beans is not expected to increase so much this year on farms where heavy soybean production is usual as it is on the lighter-producing farms. Farms on which 50 to 59 percent of the cropland was used for growing soybeans for beans in 1941 are this year expected to have soybean acreage about 5 percent larger than 1941.

The greater soybean acreage in east-central Illinois will come at the expense of acreage in small grains, hay, rotation pasture and, in a few instances, corn.

Western Corn Belt: At least 85 percent more acres of soybeans will be grown for beans in north-central Iowa this year than in 1941. Because no definite goal has been established for the area, this increase can be compared only with the State goal of an 84 percent larger acreage. Contributing to probable increased production in north-central Iowa will be ample seed stocks, the favorable prices assured for the 1942 crop, the recent modification of AAA provisions on classification of conserving acreages, and the opportunity that exists for substituting soybeans for oats, except where the oats are to be used as a nurse crop for grass seedings.

This part of Iowa could, if necessary, increase soybean acreage much more than 85 percent it was found, and action has been taken toward obtaining this increase. Many of the farmers have not grown soybeans for beans heretofore and do not plan to grow them this year. However, they will grow large acreages of oats not seeded to legumes and grasses, in spite of the fact that this may be less profitable than soybean production. Because the acreage goal of soybeans for beans is a minimum goal, and it is desirable to exceed it if feasible, farmers are encouraged to shift to soybeans from oats, when the oats are not used as a nurse crop.

To handle the suggested increase in acreage of soybeans for beans, combine-harvesters in north-central Iowa and Southern Minnesota must be used to full capacity unless harvesting equipment is brought in from other areas. Even so, production in this area should be pushed to the maximum, so that the goals can be met without requiring large increases in other areas such as Southern Iowa where soil damage would be great.

Acreage of soybeans for beans in south-central Minnesota apparently will not reach the goal. Farmers believe it will be better to plant their full corn-acreage allotments and sufficient acreage of other feed-grain crops and roughage and then expand livestock operations, rather than to turn heavily to soybeans. After increasing corn acreage and using the usual acreages of other feed crops, not enough cropland will be available to permit expanding the soybean acreage up to the goal. In Fredborn County, the operators of small dairy farms, for instance, expect to grow soybeans for beans this year instead of for hay, as they usually have in the past, and will divert a small part of their oat and feed-barley acreage to soybeans for beans. Even so, this means there will be only about 5 acres of soybeans for beans on a typical small dairy farm having 90 acres of cropland. Typical dairy farms of larger size (165 to 175 acres of cropland), on which no soybeans were grown for any purpose in 1941, are expected to have 10 to 16 acres of soybeans for beans this season by reducing the acreage of oats and feed barley and by bringing some idle acres into cultivation.

Some of the expansion in acreage of soybeans for beans by the above two groups of farms will be counter-balanced by a reduction in soybean acreage on large general livestock farms. A typical situation will be a decrease of 25 percent in the 40 acres of soybeans grown in 1941 on a general livestock farm of 440 acres. On this size and type of farm the acreage in soybeans for beans will be decreased in order that the acreage of corn, flax, and sugar beets may be increased.

Along the western border of the Corn Belt, more soybeans for beans will be planted this year than ever before. Much of the increase comes from experimental plantings by farmers who had not grown soybeans for beans previously. Farmers anticipated that the acreage would be small. The unfavorable experience some farmers have had with soybeans will retard expansion somewhat. Failure of beans to mature, and damage to the crop by grasshoppers, were frequently offered as obstacles to the growing of soybeans for beans.

In northeastern Kansas, the acreage planted for beans has never been large. Farmers who are inexperienced in handling the crop are cautious about including soybeans for beans in their cropping systems. In spite of this situation, the goal for oil beans for Brown County, Kansas, calling for an increase in acreage of 132 percent over 1941, will be met and probably exceeded.

The acreage grown per farm will be small and will be handled in a more-or-less experimental way. The farmers do not expect any special difficulties in growing and harvesting the crop, but implement dealers are somewhat anxious about the availability of attachments that will be required on many combine-harvestors before some of the machines can be used for harvesting soybeans.

Mississippi Delta: Farmers in the Mississippi Delta plan to reach the 1942 production goals for soybeans for beans primarily by planting oil varieties on acreage formerly used for hay and for soil-building crops. Some corn acreage will be replaced by soybeans.

Washington County harvested 4,800 acres of soybeans last year, and its 1942 goal calls for an increase of 258 percent. Last year, farmers planted some 50,000 acres of soybeans for all purposes. Although about 60 percent of the 50,000 acres was planted to varieties suitable for oil, the proportion of the crop harvested for beans was very low and the quality was poor. It now appears probable that about 20,000 acres will be harvested for beans this year. This acreage could be increased materially, and the Department of Agriculture now has taken action to that end.

The large number of one and two-mule farms that grow soybeans to be threshed by hand will not help much in obtaining the desired increase in acreage of soybeans for beans. About one-third of the small plantations (100 to 500 acres of cropland) will not grow soybeans for beans because they lack harvesting equipment. Small plantations that planted 20 acres for beans last year expect to plant about 45 acres this season. A number of these are dependent upon larger operators for "custom combining" and foresee difficulty in getting their beans harvested. On plantations that have 1,000 acres of cropland, an increase of from 100 to 110 percent in planting for beans is expected.

Coastal Plains Area: Although production of soybeans for beans is of relatively minor importance in much of the northern coastal plains area, farmers in Halifax County, N. C., said that 1942 acreage in soybeans for beans will be increased several times more than the increase of 500 acres called for by the goal. Increases on individual farms may exceed 40 percent. Until this year, the price of soybeans was so low that the crop had no great place in farming plans. This season, soybeans will draw land from conserving uses and from corn. Significant increases in soybean production will be obtained only from general farms of more than 100 crop acres or those having tractors and combines.

Increases in soybean acreage will be negligible on the small one and two-mule farms. However, slightly more of the relatively few acres ordinarily grown may be harvested for beans. Expected increases in oil-crop acreage on the three and four-mule general farms will be largely in peanuts.

PEANUTS FOR NUTS AND OIL

It appeared probable in March that the 1942 acreage of peanuts would fall short of the 1942 goal by nearly 1,500,000 acres if the customary half million acres were used for grazing hogs. Under these circumstances, it was indicated that the Southeast would miss the goal by about 14 percent, the Southwest by 35 percent and the Virginia-North Carolina area by 45 percent. Numerous steps taken since the survey by the Department will tend to bring production nearer the goals and to increase the acreage of substitutes, notably soybeans.

A number of factors enter into this situation. At present prices, oil peanuts cannot compete with cotton or tobacco for either land or labor, except in cotton areas of very low yields or high hazards. Then, too, the increased acreages of cotton, tobacco, and peanuts are taking the "slack" out of farming systems. Much land that formerly was idle or indifferently used has been brought into cultivation. In these circumstances, further increases in peanut acreage become largely a matter of substituting peanuts for other crops. In the eastern part of the Southeast, corn acreage is being reduced, but farmers hesitate to make further reductions because they will want the feed. Peanut hay can be used to only a limited extent in substitution for corn.

Acreage increases will be smallest in the Virginia-North Carolina area where the price differential between peanuts for oil and edible peanuts is largest. The Virginia Bunch peanuts commonly grown here bring high prices as edible nuts, but are of low quality for oil. In addition, farmers were afraid that any further increase in the acreage for oil would decrease the quantity available for sale to the edible trade.

About one-third the acreage in the Southeastern peanut area is usually grazed. Available feed per hog, exclusive of peanuts, probably will be less than normal and the temptation to graze peanuts will be exceedingly strong.

In the Southwest, the newness of the peanut enterprise and the new difficulties of soil maintenance, together with the competition of cotton, tend to restrict increases in peanut acreage. Labor is the big problem in digging

peanuts; mechanical pickers, bags, and transportation are problems in the picking. This year, many farmers are growing peanuts for the first time. The need for harvest labor will be acute in some areas, but most farmers believed that the Government and local organizations will help them to get laborers. They definitely assumed that the Government would arrange for pickers, bags, and warehouse facilities. Planting intentions, therefore, were but slightly influenced by these problems. Efficient distribution and operation of available peanut pickers will be vital to the success of the peanut program this year and in succeeding years, particularly in areas where it is customary to hog off the crop if conditions are not favorable for digging at harvest time.

Recommendations

Emphasis is needed on the great need for a much larger acreage of peanuts. This would mean increasing efforts to help farmers to understand the extent of the Nation's needs for peanuts--especially farmers in the newer producing areas.

Arrangements might be made whereby producers could receive 500 pounds of peanut meal for each ton of peanuts sold for oil to assure local availability of peanut meal for feeding livestock on farms. This would bring increased returns from peanuts, but further incentives would be needed to give peanuts a competitive advantage over cotton. Such a program would require an expenditure of from 7 to 10 million dollars, depending on acreages and yields.

Farmers in the Virginia-North Carolina area also need assurance that growing an additional acreage of lower-yielding peanuts for oil will not reduce the quantity that can be sold for the edible trade.

To facilitate the harvesting of peanuts, neighborhood surveys in new peanut counties are needed to find out which persons are best qualified to own or operate peanut pickers. Acreages to be picked by each picker should be designated, proper distribution of pickers should be insured, and all growers should be assured that picking service has been arranged. Training schools should be arranged for prospective picker operators.

Full explanation of the hay-baler and wire situation ought to be made well in advance of harvest time so that farmers can make plans for handling their peanut hay without baling, if necessary. Producers should be informed as to how to meet the bag shortage. Necessary peanut bags should be given a high priority.

The Southeast could come nearer attaining the peanut goal if present intentions were stimulated and if grazing by hogs were markedly reduced. In the four States in this peanut-production area, about $1\frac{1}{2}$ million acres were planted to peanuts in 1941. The proportion of harvested peanut acreage varied from 42 percent in Florida to 85 percent in Georgia. These proportions vary from year to year according to planted acreages, hog numbers, peanut yields, and comparative prices of hogs and peanuts.

There is some sentiment for planting corn and peanuts separately instead of interplanting them. In this way the peanuts can be either harvested or grazed by hogs. Numbers of hogs have been increasing recently. Normally

about one-half of the hogs in this area are sold at weights below top grade and at less than top local prices. Except for peanuts, feed supplies will be low in relation to hog numbers. The temptation to graze peanuts will be great unless conditions are very favorable and conducive to harvesting.

In the Southwest the peanut goals probably will not be attained. Prospective increases in the newer sections are far below those necessary to achieve the State goals. In the Piney Woods section of Texas and the Cross Timber sections of Oklahoma, 1941 peanut acreages will be doubled, but the State goals are three to four times the 1941 acreages.

Situation

Varieties and Seed: The varieties best suited to each production area will be used. In the Virginia-North Carolina area, the Virginia Bunch will be used most generally. The higher yield of Virginia Bunch is regarded as more than sufficient to overcome the lower floor price for them. Farmers had saved seed for planting allotted acreages, but seed for additional oil acreage was not on hand, and supplies were scarce and high-priced. This problem has been relieved recently when Government stocks of Virginia Bunch, apparently being held for the edible or crushing trade, were made available on a cash basis of $6\frac{1}{2}$ cents plus freight.

In the Southeast, both Runner and Spanish varieties will be used. Indications point to a wide use of Runners in new counties because of their higher yield, better suitability for hog grazing, longer digging period, and later maturity which permits digging after cotton picking is well advanced. Seed supplies of Government peanuts seem adequate. Runner prices of farmers' stock being \$4.61 cash and \$4.71 credit per 100 pounds, plus freight. Farmers' stock peanuts are being preferred to recleaned seed since shipping-point prices of recleaned seed are \$117.50 per ton for Runners and \$127.50 for Spanish, as compared with \$92 for farmers' stock Runners. Some farmers are buying seed from private dealers in order to be free to graze peanuts if conditions are not favorable for digging.

In the Southwest, the Spanish type will be most generally planted. Supplies of seed seemed adequate although deliveries to the newer counties seemed to be lagging behind orders for seed.

Fertilizers: Not all farmers use fertilizers on peanuts. Considerable difference of opinion is found among both technicians and farmers regarding the benefits from their use.

Labor: Labor shortages are expected in some areas, although farmers generally have family labor or regular cropper and wage labor sufficient to start the 1942 crop. In the Virginia-North Carolina area some operators--especially the larger farmers--predict a labor shortage at harvest time. Migration of farm laborers to war industries and increases in the acreage of other more profitable cash crops are taking most of the excess supply of laborers. Farm wages will be higher this year--possibly doubled by picking time--and price incentives for increasing oil-nut acreage are not such as to encourage all-out planting. In other areas a generally optimistic feeling prevails that crops

will somehow be harvested if grown. Basic in this optimism is an assumption that Government and townspeople will render harvesting assistance for patriotic and economic reasons.

Harvesting Machinery: In newer peanut areas, the new growers -- especially small farmers -- should be advised, so far as it can be done, well in advance of harvest that peanut-picker service will be available. This is important in the Southeast where large crops of peanuts may be grazed off by hogs unless prompt picker service can be had.

In the established peanut areas, the situation regarding pickers will not be acute. Many farmers own one or more pickers for use on their farms and for custom work. Pickers now on farms have been adequate for picking the crop with a short season's run. A much larger acreage per picker will be possible in 1942 but all pickers may not be available for full use on a custom basis.

Peanut hay is commonly baled in most areas because of the increased ease of handling and storage. Baling is most common in the Southeast; nearly all the farmers there bale their hay. Prospective shortage of hay balers and baling wire may disrupt this practice.

Bags and Transportation: Methods of handling oil peanuts vary considerably by areas. In the Virginia-North Carolina area farmers handle their peanuts in bags, store them on the farms, and sell them at their convenience. These farmers feel that existing regulations, which require weighing the whole crop before the oil peanuts are sold, would make difficult the bulk handling of peanuts for oil. Bulk handling of peanuts is more important in the Southeast and Southwest.

Shortage of bags probably will hit new growers and small farmers hardest, on farms where a supply of old bags is not on hand. Even though much of the crop is handled in bulk, many bags will be needed for handling the peanuts around the pickers and in delivery to warehouses. Bulk handling of peanuts will call for efficient use of trucking services in close coordination with picker operations.

THE DAIRY SITUATION

In early March, it seemed probable that milk production this year would miss the goal of 125 billion pounds by about 5 billion pounds, and possibly more, unless the milk price advanced or unless the advance in feed prices were halted. As a result, the floor under butter prices was raised to 36 cents a pound, Chicago basis.

Outline of Findings

Rumors that stocks of evaporated milk and cheese are accumulating in the hands of the processors had caused some dairy farmers to question the wisdom of continued heavy production at the time of the survey. The Nation wants

to build up its stocks of manufactured dairy products to fill military needs and future requests from our allies. Present indications are that our need for edible fats will become acute early in 1943, and that we need all of the butter that can be produced. These considerations have led, since the survey, to an increase in the support for butter prices from 34 1/4 cents to 36 cents a pound for 92-score butter, carlot basis, at Chicago.

Dairymen were dissatisfied in March, in some instances, because prices of dairy products had not kept pace with the increases in prices of other products. General increase of milk production was requested, but price support was given only to evaporated milk, powdered milk, cheese and butter.

Possibilities for increasing milk production on farms and the presence of facilities for increasing manufactured dairy products are not the same in all parts of the United States. The goals for 1942 would have increased production over that of 1941, by dairy producing regions, as follows:

Northeastern States	3 to 5 percent
Great Lakes States	8 to 13 percent
Corn and wheat States	5 to 8 percent
Southern States	6 to 15 percent
Intermountain States.....	5 to 11 percent
Far Western States	11 to 13 percent

The production goals are most likely to be met in the Eastern States where farmers report some difficulties in disposing of their milk, and dissatisfaction with prices. Goals are least likely to be met in the Southern States where production is normally low, and in the Corn Belt where alternatives for grain and meat production are most favorable.

Labor shortages appeared on the horizon, particularly on the larger farms in areas where skilled dairy laborers have been attracted to industry or drawn into military service.

Prices received for fluid milk for direct consumption are higher in most fluid-milk areas than the supported price of milk going into manufactured products; consequently the increased production serves to reduce the blended farm price. The effect of the feed situation on milk production varies between different areas depending upon the extent to which farmers purchase feed. In a few areas the price ratios encourage heavy feeding. In others, farmers are at the point of reducing their use of concentrates. Where expected demands for evaporated milk and butter have not materialized, farmers question the need for more dairy products and fear that the price will decline. Questions arise such as the effect of sugar rationing on the output of sweetened condensed milk, although only a small proportion of the output is sweetened and this could be replaced with evaporated milk.

Suggestions

In order that obstacles to increased production may be removed and the dairy situation clarified, it is desirable that certain steps be taken to meet particular situations. These changes are suggested:

I. In fluid-milk areas, such as those in the Northeast where the price of Class I milk is higher than the prevailing price for milk for manufactured products, it seems desirable to support prices of manufactured products at a relatively higher level if increased production in excess of fluid market needs is to be obtained.

Steps to increase consumption of fluid milk would help. With a price of fluid milk so high that consumers turn to evaporated milk, the volume that can be sold as Class I is reduced. Processed milk that may be needed elsewhere is diverted to immediate consumption. A 4- or 5-cent differential between the delivered price per quart and the store price would increase consumption of fluid milk, conserve vehicles, tires, and labor, and reduce the cost of delivery, and conserve tin and relieve pressure on processing plants.

Information regarding prices of delivered milk and prices at stores in different markets would be very helpful, as would that regarding the desirability of increasing consumption to improve nutrition. The possibility of retail price adjustments, where these are desirable, can be presented to local authorities.

II. If, as now seems probable shipments of evaporated milk will be less than anticipated in January, purchase of evaporated milk for storage is needed so that condensers will be assured that the output of the coming season will be taken. Farmers who have brought their herds to a high level of production face the possibility of serious losses unless their milk can be delivered. If evaporated milk is not needed, producers should be immediately informed so that they may shift to other outlets for milk.

III. A butter purchase-storage program would insure a welcome supply of available fats when rationing or shortages restrict consumption of other fats and oils. In view of the impending shortage of edible fats and oils, no opportunity to increase the production of fats should be neglected. Substitution of butter at 35 cents per pound for oleomargarine at 19 cents, or cooking compounds at 17 cents, does not seem likely.

Diversion of whole milk to livestock feed seemed probable in some areas before measures were taken to increase butter prices.

IV. The feed-wheat program apparently checked advancing feed prices in some areas. If prices of concentrates continue to rise, more wheat will be used. In areas where a shortage of forage is limiting milk production, some modification of crops permitted on "conserving acreage" would ease the feed situation.

V. On farms in other areas, particularly in the West, the recruiting and farm training of young men under the draft age, and possibly of women, is recommended. Steps to provide training on farms for this type of help should be taken immediately. Shortage of dairy laborers, although it has as yet affected only a few areas, probably will become serious soon. On the small farms this may be met by more complete use of family labor.

VI. So that farmers will have a basis for adjusting their enterprises, additional information should be made public regarding: the need for and the supplies of evaporated milk, powdered milk, cheese, and butter; the situation as to fats and oils and the effect this may have on the demand for butter; and the action that can be expected from the Department of Agriculture to support prices of milk and milk products. It is essential that information be made available to field employees of the Department, to War Boards, and to farmers as well as to processors, and that released information be interpreted in light of conditions in different regions.

VII. Price-supporting programs may well provide for:

- (a) Removal of manufactured products from the stocks of processors as rapidly as these products become available. This may require location of storage facilities for evaporated milk, cheese, and butter.
- (b) Support of butter prices for the coming season, in a manner similar to that authorized since the survey. Further action may be needed to divert to creameries some milk now going to evaporators and cheese factories, and would encourage production in areas that are producing only butter-fat. Prospects now are that stocks of butter 250 to 300 million pounds above the normal stocks would have to be carried.
- (c) Maintenance of prices of evaporated milk at about the March 15 level.
- (d) Continuance of the output of cheese at the current high rate. This may require some slight increase in price above that on March 15 if prices for butter are increased.

SUGAR BEETS

Situation

On March 1, the prospective sugar beet plantings this year were about 983,000 acres, or 24 percent greater than last year. However, there is some evidence that 1942 plantings may be increased to slightly above 1,000,000 acres. This will be accomplished by an increase of about 9 percent in the number of growers and by an increase in acreage per grower.

In the sugar-beet industry there are at least two fairly rigid ceilings above which production cannot profitably go. One is a limitation of sugar-refining capacity, the other is the matter of competing crops--particularly potatoes, beans, milk, canning peas, and tomatoes. However, neither of these ceilings seem likely to be reached in most areas in 1942.

In Montana, Wyoming, the Dakotas, and Minnesota, plant capacity will be more nearly reached than in the areas farther south, such as Utah, southern Idaho, Colorado, and Ohio. In the latter, competing crops are a more powerful restricting factor than is plant capacity. Lack of plant capacity will be no serious handicap to increased planting in most areas, although a few plants in the northern areas will probably operate at near capacity. About 50 percent of the interviewed farmers said they could obtain contracts for acreage in excess of present contracts. Also, there are several processing plants which are still not sure of operating next winter.

There may still be room for expansion of sugar-beet acreage, without seriously cutting into the acreage of other war crops. Half the farmers said they were reducing small-grain crops (wheat, oats, and other) in order to increase sugar-beet acreage. Only one-fourth indicated a reduction of hay and pasture acreage. Others reported that potatoes, beans, and tomatoes would be curtailed in favor of sugar beets.

With present favorable prices for sugar, processors probably will attempt to contract as much acreage as possible within the limits of their plant capacity. Certain obstacles are facing them, however. Farmers are fearful of a labor shortage, particularly in the western areas where larger sugar-beet acreages per farm are usually planted. As sugar companies customarily arrange for much of the contract labor, farmers are not seriously worried at the moment, and are still increasing the plantings. Nevertheless, the anticipated labor shortage will probably retard further increases.

Farmers are concerned over a possible shortage of tires for trucking beets to market. In recent years, beets have been transported direct to factories by truck--a change from the previous horse-drawn outfit which delivered to local dumps near the railroad. Thus the hauling equipment of farmers has been diminished and nearby dumps have been dismantled. Then, too, farmers seem to view the present sugar program as merely a lifting of planting restrictions. They do not interpret it as a personal call to increase sugar-beet acreage.

Recommendations

- (1) Information should be obtained at once on the maximum capacity of existing processing plants.
- (2) In those areas where sugar-beet acreage can be increased without seriously reducing the acreage of other needed crops, beet acreage should be increased. To be effective this action must be undertaken immediately.
- (3) Using available labor reports and working with sugar companies, determination should be made of how much labor is available and how much is needed for production of sugar beets and this information should be given to farmers as soon as possible.
- (4) Examination should be made of the beet-hauling situation and steps taken to assure farmers that adequate trucking facilities will be available. If this could be done before planting time, it should tend to encourage increased plantings.

- (5) Steps are needed to clarify the farmers' understanding regarding the need for sugar and to explain that the sugar program involves more than a consumer-rationing program or a lifting of acreage restrictions.
- (6) Possibilities of transporting beets from areas where processing plant capacity will be taxed to areas of greater surplus capacity should be investigated.

CANNING TOMATOES

Situation

Tomato acreage this year appeared to be falling short of the 1942 goal by 10 or 15 percent at the time this survey was made. Although there may be occasional trouble spots in regard to processing facilities, the facilities appear adequate to pack the needed 40 million cases.

The greatest difficulties in expanding acreage will be encountered in the North Central States and in California, primarily because alternative crops are more attractive. The largest percentage increases in acreage will come in such areas as the Ozark where yields are low, where there are fewer alternative opportunities, and the labor situation is less acute. The Ozark area also has the greatest proportion of unused processing facilities. Generally speaking, increases seem largely dependent upon new growers, especially in the North Central States.

Growers appear fairly well satisfied with the present contract prices, but there is some uncertainty as to adequacy of the supply of laborers at harvest time. In some places, payment to pickers on the basis of a percentage of the farmer's receipts has stimulated them. Some farmers have given a bonus to laborers who worked on the farm through the entire harvest. Some farmers have arranged with neighbors for the exchange of family labor, and most farmers plan to work harder. In a few cases, canners will obtain the laborers for tomato picking. Some of the farmers will stagger the time of plantings to reduce peak labor needs, and some will pick their acreage less thoroughly. Staggering of planting will enable canners to contract more nearly to maximum capacity and reduce the quantity of tomatoes that will go into puree.

Increased production will come mainly from new tomato acreage. Fertilizer may be increased, but the high yields of 1941 are not likely to be repeated unless weather conditions are very favorable.

Farmers are either depending on the Government to do something about the labor problem or are merely hoping that laborers will be available. Some would plant greater acreages if they could be sure of obtaining help for the harvest. On many small family farms, acreage is already up to the capacity of family labor and expansion is impracticable.

In some areas, canners express concern about shortage of help in the factories.

A few farmers do not know there is a Government program regarding tomatoes, and many are confused concerning the details. Some think that all

tomato prices are guaranteed by the Government, whether the crop is grown under contract or not, and whether used for canned tomatoes or for other tomato products. This feeling may have been due, in part at least, to the fact that canner fieldmen, who are an important source of information, had not yet talked with the farmers in some areas. In most areas there are usually a few farmers who do not regularly attend meetings and are not reached by the agencies that give out information. Even the best farmer finds it difficult to understand complicated material explaining the program. Nearly all the farmers who knew about the program said they were in favor of it.

Potentially the most serious situation arising from this lack of information exists in open-market areas. For example, in Maryland there is much interest in the present contract price of \$21 per ton. Many farmers who have not been able to obtain contracts, or who do not want contracts, are expanding acreage with the expectation of getting a guaranteed price of \$21 per ton for their crop at harvest time. If they are disappointed, it may cause future programs to suffer. Processing facilities may not be adequate to handle the tomatoes that are not contracted for. Even where contracts have been made, rapid ripening may bring in crops that canners will not be able to process. Canners are slow to contract up to capacity because this means that during peak harvesting much of the production must be diverted to tomato products for which there is no guaranteed price.

In areas where grading is not done by Government inspectors, farmers sometimes insist that unfair grading is used as a means of lowering prices. Consequently, many farmers who could produce tomatoes, shun this crop.

In some areas the comparatively low farm prices of certain products for which increased production was requested have caused farmers to be skeptical of returns. For example, in some places a local decline in prices for dry beans, milk and eggs has caused farmers and canners to be wary of Government promises of price support based on the average price of certain grades of the commodity at a central point. In several of the areas there was some concern over the possible shortage of trucks to move tomatoes to market rapidly enough at the peak of the harvest.

Only a few farmers plan to increase the use of fertilizer on tomatoes. In general, enough fertilizer appears to be available but in the Ozark area, where there was some indication that growers are planning to use more of it, canners said they are having some difficulty obtaining fertilizer.

Recommendations

To obtain a greater acreage of tomatoes, farmers' fear of a harvest labor shortage should be lessened. Local farm labor subcommittees should explain in detail the Department's program, especially the steps taken to assure adequate harvest labor. There is special need for providing laborers to replace evacuated Japanese in California.

State and County War Boards might find out whether canners have been able to contract up to capacity. Where additional acreage is needed, an informational drive should be conducted. War Boards may well determine whether canners are refraining from contracting up to capacity because of a possible loss on puree

and other low-priced products. If this is a significant factor, price supports need to be considered for puree and other tomato products. In addition:

- (1) Cannerys should be represented on labor subcommittees in tomato areas.
- (2) If necessary, appeals should be made to the public as a method of recruiting workers.
- (3) A program should be developed to study production and plant capacity and to shift tomatoes from one plant to another, if this is needed to prevent a glut in one plant while another is not processing to capacity.
- (4) Emphasis upon the purchase program's possibilities in dealing with this situation would bolster farmer confidence.
- (5) Contract provisions for grading by Government graders should be encouraged. If a plant is too small to support an inspector, it might be able to arrange so that several plants would share the services of the inspector on a pro rata basis, or farmers might contribute to the cost.
- (6) County War Boards should survey growers as soon as possible after the planting is done to learn the transportation needs. A local program for mobilization of all available trucks could be instituted.
- (7) Growers should be informed immediately that production from uncontracted acreage does not have a guaranteed price and that there is a possibility of inadequate processing facilities for these tomatoes.

CANNING PEAS

Production of canning peas in 1942 appeared likely to be 15 to 20 percent short of the goal. Canning equipment is not likely to be available for a larger pack. All of the canning-pea contracts offered by the canners will be taken by the growers, in the areas studied. Growers apparently would be willing to increase acreage further if canning facilities were available.

Acreage available for processing will be about 26 percent above the 1941 acreage. However, this year's goal is 32 percent above the pack in 1941, when yields were 17 percent above the 1936-40 average. A somewhat greater increase in acreage than 32 percent would be required to attain the goal in regard to pack, unless above-average yields are obtained again in 1942. Moreover, the size of the frozen pack probably will be larger in 1942 than 1941. However, much of the crop that could have been canned last year if canning facilities had been available, was harvested as dry peas.

Growers may have difficulty in getting special equipment, such as improved types of pea loaders, and will have to make special efforts to obtain enough laborers at harvest time. Canneries may find labor scarce at packing time, and a shortage of repair parts may cause delays. The most significant contribution toward attaining the 1942 goal for canning peas will come in efforts to get fullest possible use of existing canneries.

Situation by Areas

In the Walla Walla area of Washington and Oregon, canning peas are alternated with wheat in the same way as fallow or nonirrigated land. Much of the acreage available either for peas or for fallow is still fallowed. Much land is available for expansion of pea production. A relatively small acreage of peas is grown on irrigated land.

Contracted 1942 acreage of canning peas here is nearly 50 percent larger than last year and more than double the 1941 harvested acreage. But canning capacity has been expanded only enough to pack about 20 to 25 percent more than in 1941. With an unusually favorable season, the pack might be pushed as high as 6.5 million cases. The contracted acreage will be enough to assure capacity plant production unless the season is very unfavorable.

In Dodge County, Wisconsin, production of canning peas probably will be up to the capacity of the canneries, which is estimated at 20 percent above that of the 1941 pack. Farmers would be willing to increase further if they could get contracts.

In Marathon County, Wisconsin, a 35-percent increase in canning peas is estimated for 1942. The new canning factories are opening near the western boundary of the county to care for the increased production.

In Snohomish County, Washington, contracted acreage of peas for freezing has increased. This may reduce the acreage contracted for canning; no increase in acreage for canning is expected.

In Genesee County, New York, the increase in acreage will result in full use of cannery capacity, which is estimated at 115 percent of the 1941 pack. A reduction of acreage in red kidney beans will make this increase possible. The price for red kidney beans has fallen from 6 cents to $4\frac{1}{2}$ cents per pound. Canning peas can take the place of the beans in the rotation, to a considerable extent.

In Cache County, Utah, about 2,500 acres of canning peas were grown in 1941, and farmers do not expect to increase this acreage in 1942. An increase in canning-pea acreage would probably cause curtailment of dairy and sugar-beet production.

Difficulties in Reaching Goals

The chief difficulty in obtaining greatly increased canning-pea production will be lack of plant capacity to can so large a pack. Most canners are able to contract for as much acreage as they believe they can handle. Maximum pack also depends on the length of the harvest period. As the 1941 pack was the largest on record, some canners in the important Washington-Oregon area think that a 32-percent increase in the pack, without any considerable increase in capacity, may be hard to accomplish.

Certain other difficulties hinder further acreage increases and may interfere with present intentions. In the dairy areas, which include major centers for canning peas, labor requirements conflict with haying. Pea loaders and trucks have reduced labor requirements in recent years, but the situation in regard to machine parts, new machinery, and tires, may shift production toward more easily-handled feed crops, especially in the dairy sections.

Farmers are dissatisfied with grading of peas at the canning plants. Increases in contract price for 1942 are heavily discounted by farmers' belief that canners grade the peas to make their own prices. The system of prices based on the tenderometer test is confusing, and farmers feel this is used to the advantage of the canner.

Peas for canning are a high-risk crop. Costs per acre are high, yields are uncertain, and weather conditions drastically change harvest requirements. In areas where farmers are accustomed to growing peas, contract prices this year appear sufficiently attractive to encourage increased acreage. In areas where farmers have had only limited experience with peas, however, they are reluctant to plant peas even at the present contract prices.

Recommendations

- (1) In the Walla Walla area, daily diversion schedules, for canning to permit shifting plants that are overloaded to plants that temporarily have excess capacity, are recommended. Government assistance in working out such arrangements would be necessary.
- (2) State and County War Boards should encourage the capacity use of quick-freezing facilities. Such use will release cans needed for products that cannot be handled in other ways.
- (3) Growers might be assisted, if possible, in obtaining special machinery such as improved types of pea loaders.
- (4) Supplies of rotenone for control of weevils are important in major commercial areas and they should be made available insofar as possible.
- (5) Improved grading practices are needed to assure farmers that higher prices to canners will be reflected in higher prices to growers.

FLAX

The Prospective Plantings report indicates, as of March 24, that 4,037,000 acres will be planted to flax, as compared with a goal of 4,500,000 acres. This acreage for 1942 is 119.9 percent of the 1941 acreage as compared with a goal of 134 percent.

Because any substantial increase in flax acreage in 1942 would come from Minnesota, North Dakota, South Dakota, Montana, Iowa, and Kansas, this report is confined to the situation in these States. In 1941, they had 90 percent of the planted acreage and 86 percent of the production of the entire country. California had 213,000 planted acres in 1941 (about 10 percent of the production), but California grows winter flax and no increase in the acreage seeded can be obtained now.

Situation by Areas

For several years Minnesota has been ~~the principal~~ flax-producing State producing about half of that grown in the United States. This acreage is largely in the west and southwestern parts of the State, which are diversified grain-and-livestock farming areas with little or no idle land. Farmers have indicated intentions to increase acreage of flax by 10 percent over 1941, whereas the goal is 12 percent. Any large shift to flax would be at the expense of feed crops or soybeans. At the present guaranteed loan of \$2.10 on flax there is little inducement to do this.

In South Dakota, the acreage goal for 1942 represented an increase of 98 percent over the 1941 acreage, whereas the March 24 intentions report indicated farmers there would increase acreage by only 20 percent. In eastern South Dakota farmers' experience with flax during recent years has not been satisfactory.

In North Dakota, the eastern part - the best crop area in the State - is a fairly well diversified grain and livestock producing locality. Last fall, farmers planned to decrease flax acreage in the Red River Valley area, but the sentiment was changed somewhat by announcement of the guaranteed loan of \$2.10, farm basis. This change was helped by AAA modification of the soil-conserving acreage provisions, and by a drive on the part of the War Board to get an increase in flax acreage as requested by the Department of Agriculture.

Farmers in the Valley area do not think that a loan of \$2.10 a bushel is high enough to warrant shifting wheat acreage, or any considerable small-grain acreage, to flax. They report flax as an uncertain crop. In addition, many want feed grains for their livestock. The season will have much to do with the extent of the acreage planted.

In northwestern North Dakota and in northeastern Montana conditions are very similar. There are heavy grain-producing areas where summer fallowing of one-half to one-third of the land is almost a necessity because of low rainfall. The flax goal of a 63 percent increase will be reached here if spring planting conditions are favorable. Average yields in this area are low, however - only about half those of the eastern counties. A large acreage increase here will not result in a corresponding increase in production for the State. Farmers here believe the prices for flax will be good next fall. They put more emphasis upon present higher prices than on the guarantee of a loan.

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They also are responding patriotically to the Government request for more flax, without knowing just why the increase is wanted. Changes in the AAA conservation acreage provisions have helped; they permit a large increase in cash crops on nearly all farms without reduction of wheat acreage or the usual amount of feed grains. Land formerly idle will be cropped and some land that otherwise would be summer fallowed will also be seeded. A few farmers who planted wheat in 1941 in excess of their acreage allotment will cut down their wheat acreage in 1942 in order to keep from paying the market-quota penalty. This acreage will go into flax.

The Iowa intentions report of March 24 indicates an acreage decrease from last year, but recent changes in the AAA program may result in the goal being reached. Much acreage usually in oats could be diverted to flax but most Iowa farmers are unfamiliar with flax. There is some question as to availability of good seed. Iowa State College recommends flax as a more profitable cash crop than oats, but both crops compete with soybeans.

Kansas is the only one of the six States included in the survey that reports an expected acreage in excess of the goal. This increase is occasioned chiefly by the wet fall in 1941 which prevented seeding of winter wheat; some of this land is being seeded to flax. Flax is grown principally in about 6 counties in southeastern Kansas, although a small acreage has been grown, the last year or two, in northeastern counties. Several farmers in Brown County, for example, are attracted by the price, and may grow a larger acreage of flax this year.

Flax is a relatively low-yielding crop and most farmers regard it as more hazardous than competing crops. It is more vulnerable to weeds, drought, and grasshoppers than other grain crops. In 1941, rust seriously affected flax on a few farms in some localities. Then, flax requires a well-prepared seedbed, hence the cost of growing is higher than for many competing crops. In addition, the price of seed is high. It is important to plant as early as possible, since there is ordinarily little danger of damage from frost.

Income from flax is not high enough to induce farmers to divert allotted wheat acreage to flax. Reports from the higher yielding areas of Minnesota, North Dakota, and South Dakota indicate that a farm loan of \$2.10 per bushel is not attractive when wheat loans stand at \$1 per bushel. Farmers expect wheat loans to be \$1.10 to \$1.20 per bushel by next fall. Farmers seem to want a flax loan of more than twice the wheat loan.

Recommendations

Loan rates on flaxseed should be announced as soon as possible. There is much confusion at present on this point. Some think that farmers can borrow \$2.10 per bushel on flax; others think that \$2.10 is a terminal price. Others are not certain there is a guaranteed loan as they have received no official announcement. At present, farm prices are above \$2.10 per bushel.

Additional publicity might be given to the seed situation. The total supply seems adequate, but supplies may not be adequate in certain localities. Much seed is very low in germination because of wet weather at the last harvest.

Assurance should be given, if possible, that elevator storage space will be available for flax, if the price at market time is not equal to the loan value. Farmers who see elevators filled with grain are disturbed over the storage situation for next fall.

Additional publicity should be given to the need for flax and to why this need exists. The patriotic appeal has been effective and can be further used if more flaxseed is a vital need. Many farmers in North Dakota are planning to put in flax because the Government has asked for it.

FARM GARDENS

Situation

This survey indicates that the number of farm gardens planned for 1942 may not reach the goal of 5,760,000. Some farmers who have previously had gardens are planning to expand them, but few have a clear understanding that important objectives of the garden program include additional varieties of vegetables, year-around gardens, improved nutrition and health. It should be added that farm women who may have clearer understanding on some garden points were not interviewed.

More than half the farmers said farm families should be encouraged and assisted by the Government in gardening and food preservation. Uncertainty as to the availability of sugar and containers for canning may be influencing some farmers. Competition for family labor is severe in some areas, rendering doubtful the time that can be given to farm gardens.

Although most farm families are conscious of the need for more production of food for home use, many have not been stirred to increased and improved effort in gardening. The garden program has been taken by many to apply more directly to the other fellow, especially by farmers who have not had gardens.

Recommendations

Community and neighborhood leaders can be further enlisted to influence and assist individual farm families that need help in establishing gardens. Local garden leaders and sponsors could be given special training in garden methods and leadership. Plantation operators and landlords could be enlisted to influence and aid their tenants in establishing gardens and in handling the garden products. Further attention could be given to utilizing AAA garden-practice payments to encourage planting and care of gardens by families who are not in the habit of growing them. In planning for 1943 and succeeding years, special attention might be given to methods of reaching individual families who are not in the habit of growing gardens.

FARM LABOR

Concern Evident

More than two-thirds of the farmers interviewed expressed concern over the supply of farm laborers. The labor problem was mentioned more frequently than any other in connection with achieving 1942 farm production goals. At the same time only about 5 percent of the farmers who actually hire laborers are planning to limit production this year because of labor shortage or higher wage rates.

About 30 percent of the interviewed farmers employ regular hired hands, but more than two-thirds said they employ seasonal workers. About 5 percent of these operators employ migratory workers. As only about 40 percent of the farmers of the United States hired any labor last year, it is plain that a larger-than-typical proportion of farmers who hire labor were included in the survey.

Nearly three-fourths of the farmers who depend upon regular hired help either have made arrangement for hands for 1942 or expect no great difficulty in doing it. More than one-fifth feared shortage of laborers or feared losing family or hired labor that would have to be replaced, but were not planning to curtail production for this year. Very few farmers who hire seasonal labor have made arrangements for workers. Not more than 20 percent said they expect difficulty in getting seasonal workers.

Most farmers do not know about the Farm Placement program of the U. S. Employment Service. The Selective Service System is working fairly, farmers believe, but some think necessary family labor or skilled workers ought to be more readily deferred. Farmers think more about the loss of hired workers to industries that are paying high wages than about the operations of the Selective Service System. Most farmers expect farm wage rates to rise.

The surplus of farm workers has been greatly reduced in most areas but the farm-labor supply will probably be adequate in 1942, although many regular farm workers will be replaced by those normally not employed on farms. Lack of knowledge of availability of seasonal workers later in the year, and uncertainty as to future requirements of the armed forces and war industries are giving farmers considerable concern, but this concern has not been deep enough to cause many of them to curtail production.

Recommendations

More active efforts are needed to inform farm operators and farm laborers fully about the new offices and farm-placement operating methods of the United States Employment Service, urging full use of these facilities. Provision of full and objective information is desirable on the farm labor situation available to farmers, employees of the Department, other governmental agencies, and the general public. This would facilitate intelligent consideration of farm-labor problems and would help to counteract unfounded

rumors and exaggerated statements. The attention of farmer employers should be called to the necessity and fairness of paying higher wages this year. Farmers should be kept informed about the Selective Service System, the war-time WPA program, and other programs.

Solutions to most farm-labor problems lie in the counties and communities affected. State and county farm-labor subcommittees have had a year's experience in working out the answers to these problems. Out of this experience, and the work on farm labor which has been carried on in Washington, comprehensive instructions and outlines for handling farm-labor problems have been prepared and transmitted to State and county USDA War Boards and farm-labor subcommittees. Among the many recommendations that have already been made are full use of the usual farm-labor supply, including cooperation with the United States Employment Service, registration of farm workers and farmers' needs for labor, directing the movement of needed migratory laborers, and pooling of workers in each community. Organization of women for farm work, more effective use of young people through adjustment in school terms and the mobilization of groups of boys, employment of WPA workers and others, and enlisting the help of town people, are recommendations concerning supplementing the usual farm-labor supply when necessary. Labor-saving practices, more custom work, exchange of farm machinery, trading of work, staggered planting of crops, and other practices are being recommended by War Boards and farm-labor subcommittees to minimize the farmers' dependence on hired laborers. Full information regarding programs for training of farm workers, Selective Service policies, providing housing for farm workers, and arranging for necessary transportation, and material relating to other special problems are being applied where needed.

Fully effective work along these lines in the States and counties requires technical assistance and field supervision. This should be provided, if possible, to assure adequate and proper handling of problems as they arise.

A special effort should be made to minimize any local hardships that may be caused by the closing of existing farm-labor camps if funds for their continued operation are not provided.

INFORMATION ON FOOD FOR FREEDOM

As a rule, the farmers interviewed in this survey believed the war will be won in a year or two. Related Bureau studies indicate that farmers are more aware of the seriousness of the war than are urban people. Urban people are somewhat less conscious of the bitterness of the present struggle, but both urban and rural people are virtually unanimous in the belief that the United States cannot lose. This fact in itself may be hindering all-out effort. For example, if farmers realized that rationing of some vital agricultural commodities may be necessary, if they fail to reach their production goals, many would increase production this year beyond their present intentions.

All-out response to production goals is hampered by the fact that few farmers realize sufficiently that there is a direct connection between their own crops and the war effort. Their feeling, then, is one of "standing-by" or "continuing to deliver." Not enough farmers realize that production goals represent a call for all-out effort. There is insufficient information as to the connection between the production of specific crops and winning a war.

Farmers are very willing and even eager to help in the war effort. Some means should be found to harness this willingness constructively in the war-production program. Farmers do not want to be told their war job in general terms -- they do want to be told specifically how they can help. Fewer general requests and announcements should go to farmers, to compete with each other. Fewer appeals should be made and these should be confined to really urgent problems.

As a rule, the interviewed farmers had only the vaguest understanding of the facts of the war situation and of the agricultural situation. These people are relying heavily and frankly upon national leaders in the present emergency, both for planning and for action. Lacking facts on needs and problems, the majority of farm people simply have faith that national leaders know what they are doing, and that they will bring victory.

The rapid changes in the Nation's food requirements, attended by necessary program changes, have created confusion and uncertainty among farmers as to the best course to pursue in their farming operations. At a time when the whole Nation is shifting rapidly from a peacetime to a wartime economy this is to be expected. It is important, however, that the Department give special attention to dispelling the many rumors, misconceptions, and fears that are prevalent in rural areas. This can be assisted by the information program.

The following observations suggest important points to be considered in information activities relating to the Food for Freedom Program.

Truck drivers, field men, and managers of milk-condensing and processing plants, are important channels through which farmers may get information on the Food for Freedom Program. Farmers consider these sources reliable. Field parties noted numerous instances in which truckdrivers and employees of milk-processing plants were poorly informed. The Department could help overcome this difficulty by encouraging milk processors to make local price data, including comparisons of present and usual seasonal price trends, available to their customers.

Prices mean more to farmers than they did before this war. Farmers are interpreting small price changes as significant indicators of the Government's need for particular commodities. An organized effort is needed to inform producers as to how the price-supporting measures operate and how local and seasonal prices should be interpreted.

All too common among farmers is the opinion that the Government wants them to produce "more of everything" and that their best contribution will be to produce more of those commodities they are accustomed to growing. Many farmers are experimenting this year with small acreages of crops that are new to them. Next year's farm plans will reflect the results of these experiments.

Lack of understanding of the significance of the "85 percent of parity" provision for basic commodities is general. However, many producers are reacting largely to local price quotations.

Farmers are much more interested in growing food for "our boys in the army" than for sending to Britain. Department information work might therefore give greater emphasis to the food needs of our armed forces.

Expecting machinery shortages to come, many farmers do not want to do "custom work" with their own machines. A special effort may be needed to get them to use their machinery in this way:

Usually farmers referred to the radio as their primary source of information on war-production needs. This might suggest the need for greater use of local stations in getting to farmers localized information on production goals and Governmental plans for assisting them to obtain the production needed. "News-flash" types of radio announcements were most favored by these farmers.

Frequently farmers said that information reaching them was too generalized and that they could not see its application to local or individual situations. In many instances, farmers said they had enough information as to general war-production needs, but that they did not know the specific uses to which various products were put, nor did they understand the Government's plans for encouraging increased production of these commodities.

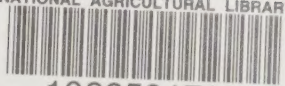
Many farmers interpret price supports as minimum-price guarantees. They don't understand about supports expressed on the basis of "averages", "farm basis", or "differentials for grades and quality."

Information work also should be undertaken to answer several questions about particular commodities and particular features of the Food for Freedom Program.

Particularly in areas where tomatoes are produced both under contract and for the open-market sales, many tomato growers are confused as to whether the Government's guaranteed price covers open-market sales. Where contract prices are usually quoted on a "roadside" basis, producers are confused over the application of price announcements based on delivery to canneries or to major assembly points. This has resulted in the signing of some tomato contracts at prices lower than can be certified by the War Board. Producers and canners alike need to be informed about the conditions under which canners holding these low-price contracts will be certified.

Most farmers in the South believe that the Government wants more cotton without regard to staple length. They do not fully understand that the need is greatest for the longer staple varieties.

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